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CENTRAL INTELLIGENCE GROUP  
INTELLIGENCE REPORT

84322

COUNTRY Yugoslavia

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SUPPLEMENT

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EVALUATION OF SOURCE

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## 1. Three principal foundries exist in the Vojvodina, all located at Novi Sad:

a. Vojvodjanska Livnica

Labor : 160 workers  
 Management: Ing. Poznanovic  
 Production: Tractor spare parts, machine and motor engine castings

b. Novosadska Livnica (formerly owned by Messrs. Rittnar & Co.)

Labor : 116 workers  
 Management: Yugoslav Army with Ing. Sokrat as production manager  
 Production: Castings for military equipment

c. Livnica Jovanovic

Labor : 90 workers  
 Production: 40 complete turning lathes monthly

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## 2. Foundries of lesser importance located in the Vojvodina are:

Ada - ex-"Stefan Terteli" foundry  
 Beckerek - Radiator foundry  
 Velika Kikinda - State foundry Bonn

## 3. The metal industry in the Vojvodina is centered in Kula around the following factories:

- a. "Stolz" Metal Factory - formerly belonged to a Volksdeutscher, now nationalized and called "Istra". Employs about 300 workers. The factory was modernized by the Germans during the war and equipped with high speed hydraulic (oil) presses. The factory is now engaged in producing various metal products, including armatures and other items of industrial equipment.
- b. "Union" Metal Factory - employs 160 workers, produces metal barrels and casks.

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- c. "Vulkan" Metal Factory - employs 40 workers, produces aluminum castings, aluminum cutlery, etc.
  - d. "Veselinovic" Metal Factory - produces brass and chromium plated metal goods (blades, taps, etc.)
  - e. "Trio" Metal Factory - employs 20 workers, produces exclusively steel drills (spiral borer) of all sizes.
4. With the exception of aluminum and copper, the above-mentioned metal factories depend on "OTPAD" for their raw materials. By December 1946 "OTPAD" supplies had reached such a low level that many of the factories may shortly be obliged to suspend a considerable portion of their work. Factory managers are hoping to receive raw materials from the USSR.
5. The modern chemical factory at Sabac (Serbia) is in the process of being enlarged. Production includes copper sulphate, superphosphates and other artificial manures and sulphuric acid. The factory is under military control, and a number of Soviet chemists are employed in the plant.
6. The Ministry of Industry in Ljubljana recently set up an Industrial Chemical Research Institute in Ljubljana; it is divided into the following departments:
- Chemistry (inorganic and organic) Department
  - Textile Industry Department (with laboratory in Kranz)
  - Metal Industry Department
  - Electrical Industry Department
  - Building Industry Department
7. The following hydro-electric stations are reported to be under construction:
- a. Zirovnica (Upper Carniola) - construction began in early 1946 and is due to be completed by the end of 1947.
  - b. Mednode (Upper Carniola) - work on preparing the site for a new power station is in progress; actual construction was due to begin in April 1947.
  - c. Javornik (Upper Carniola) - this thermo-cum-hydro electric station was out of commission for a considerable period; the Polten turbine has been repaired, and the station is now functioning normally again.
  - d. Maribor - a station under construction on Maribor Island is due for completion in 1948.
  - e. Bogatici, Bosnia (?) - work began in July 1945; in 1946 work on the construction of a concrete dam 2,300 feet long, as well as a water conduit pipe, was completed. In February 1947 two turbines and generators were installed. This station is scheduled to be completed by May 1947. Construction work was undertaken by Zemaljsko gradjevinsko Preduzece sa izgradnju Hydrocentralna Sarajevo.
  - f. Ovcar Banja, near Cacak on the Morava River - this station, now under construction, is designed to provide the whole of West Serbia with electricity, through a well-developed grid system. Work on a water reservoir at Ovcar Banja is completed. The actual construction of this station is in the hands of "Hydrogradnja", Belgrade (Director: Ing.

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Selinger Zoltan). The work is conducted under the technical supervision and control of "Elektroistok" (Director: Ing. Predrag Gjorgjevic). This station is scheduled for completion by the end of 1947.

- g. Vucje - the hydro-electric station near Vucje about 15 kms. south of Leskovac in Serbia is in the process of being modernized and improved. In this connection a high tension cable 40 kms. in length, linking Belo Polje with Leskovac will be built.

The following information is dated February 1947.

8. There are six principal textile factories in the Vojvodina:

Novi Sad - ex-"Micic and Kamler" Textile mill  
          ex-"Raletic" Textile mill  
          ex-"Ristic" Textile mill  
Kula - ex-"Brandecker" Textile mill  
          ex-"Futo" Textile mill  
Apatin - ex-"Apatiner" Textile factory.

All the above have now been nationalized.

9. These textile factories are principally engaged in producing two main qualities of cloth:

Quality No. 1 - for Yugoslav Army and export to USSR, contains 100% pure wool (60% UNRRA wool, 40% Yugoslav)

Quality No. 2 - for civilian home market, contains a mixture of 60% UNRRA wool, 20% processed cotton rag and 20% processed wool rag.

10. The "Brandecker" factory also produces Army blankets (40% Yugoslav wool and 60% processed cotton rag).
11. Production is now seriously threatened by the rapid exhaustion of existing UNRRA wool stocks and decreasing returns of cotton and wool rag.

The following information is dated March 1947.

12. The hemp industry of Yugoslavia is also centered in the Vojvodina where 152 factories are engaged in processing raw hemp. Two or three small factories also exist in the Leskovac area in Serbia. The present annual production for the country is 30-35,000 tons. The three main qualities of hemp are Vitana Kudelja (pure hemp) at 34 Dinar 1 kg., Trescena Kudelja (medium quality) at 28 Dinars 1 kg. and Kucina Kudelja (industrial quality) at 9 Dinars 1 kg.
13. "KOTEX" (State distributive agency for leather and textile goods) is responsible for collection of raw hemp supplies, allocation of raw hemp to factories and the distribution and export of processed hemp. From 1945 to 31 December 1946 "KOTEX" exported 30,000 tons of hemp to the USSR via Backa Palanka on the Danube. A Soviet Mission is responsible for supervising all hemp exports to the USSR and is located at Backa Palanka. The hemp for export is packed in 50 kg. bales.
14. Hemp weaving takes place in the following factories:
- a. "Sonja Marinkovic" weaving mill at Novi Sad (formerly known as the "Novi Sad Textile Factory Ltd.") which is engaged in weaving cotton, hemp and

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woolen textiles. The factory employs 200 workers; the director is a very energetic female member of the CP, Draga Popov, and the technical director is Ranko Pavlovic. Cotton is imported from the USSR (and formerly also from UNRRA), hemp from Vojvodina and wool is imported by "KOTEX" from Sweden through the agency of the Czechoslovak Government. The technical director claims to have made two very important discoveries: (1) Through a special cottonization process he has succeeded in spinning hemp into an artificial type of cotton thread, and (2) Four inorganic dyes, formerly used for dyeing woolen fabrics, can now, through a special chemical process, be used also for dyeing cotton materials. Drying rate of these dyes is so fast that 1,400 meters of cotton fabric can be printed in 8 hours, as compared with the normal figure of 800 meters per 8 hours.

- b. "Tuzlic" Weaving Mill at Novi Vrbas, formerly the property of Ivan Tuzlic, now nationalized. The factory is working principally on behalf of the Army and is now engaged in weaving hemp linen and manufacturing bandages. The factory employs 100 workers on a 52-hour week. The hemp is brought from Vojvodina, and the cotton from UNRRA supplies are now reaching a very low level.
- c. Odzaci - a large factory engaged solely in manufacturing hemp products which include: sacking, string, horse blankets, ropes of all types, tarpaulins, machine straps, horse harnesses and hemp linen. Four hundred workers, mostly Volksdeutsche, are employed here. From 15 May 1945 to 31 January 1947 the factory produced over 4,000 tons of manufacture hemp products, 60% of which were exported to the USSR, 25% for the home market and 15% margin reserve retained until 1947 seasons' production.

The following information is dated January 1947.

- 15. A factory located at Indija on the main Novi Sad-Belgrade railroad is producing manufactured leather goods, manufactured fleece linings and parachutes. Before the war this factory was owned and managed by a certain Knobel, a Volksdeutscher, who is now in exile. The factory is now managed by a former Partisan Major named Laza Miskovic. About 200 workers are employed on a 52-hour week. Production is as follows:
  - a. Leather goods - at present the factory is engaged in producing leather jerkins and coats for the Yugoslav Air Force and Railroads.
  - b. Fleece linings - these are manufactured from Yugoslav wool clippings and are used to line leather coats and jerkins.
  - c. Parachutes - these were already being manufactured by this factory for the Royal Yugoslav Air Force before the war. Material used now is principally silk imported from France through the agency of the Czechoslovak Government. Completed parachutes are sent directly to the Parachute School in Belgrade.
- 16. The following is reported on canned goods factories:
  - a. "Kulpin" Canned Food Factory, Novi Sad - formerly owned by Georg Djundjerski, now nationalized. The factory employs 340 workers and produces 100-200 tons monthly of canned meat, 500 tons annually of canned vegetables and 350 tons yearly of canned and bottled fruits, jam, etc. All produce is allocated to the Army, with the exception of canned and bottled fruits and jam.

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- b. The "Drzavna Fabrika Konserva Backa", Subotica - employs 260 workers on a 10-hour day. The production consists of canned meat and vegetables, salamis and preserved sausages; production goes exclusively to the Army.
  - c. Canned Foods Factory at Pancevo - built in 1943 by Messrs. Schmidgen of Belgrade. Now produces canned fruit and vegetables, fruit juices and fruit pulp (Pectin). A branch has been established at Beckerek.
17. An electric bulb factory named "Tesla" is located in Pancevo. Before the war it belonged to the "Tungsram" group; it has now been nationalized. During the war the Germans modernized the factory and provided it with special electrode equipment. Among other things, 60-watt lamps are being produced. Monthly production is estimated at 15,000 lamps. The glass bulbs are manufactured by the Pancevo glass plate factory.
18. An electric bulb factory named "NIS" (Drzavna Fabrika Zarulja) is located in Zagreb. It formerly belonged to Ing. Schmidek but is now nationalized. The pre-war capacity was 100,000 bulbs a month. Before the war the factory imported its electrode and glass bulbs requirements from Vienna and Czechoslovakia; the electrodes are now supplied by "Tesla" and glass bulbs by the Pancevo glass factory.

Note: There is a great shortage of electric light bulbs in Yugoslavia. During the winter of 1946 Soviet electric bulbs of very inferior quality appeared on the Yugoslav market.

19. The glass industry in Yugoslavia is centered around factories in Pancevo, Paracin, Rogaska Slatina, Hrasnik and Rogatec. All of these, with the exception of the Pancevo factory, were formerly controlled by Czechoslovak banking interests. The Pancevo factory used to be owned by Franco-Czechoslovak capital interests. All are now nationalized.
20. The Pancevo glass factory, built in 1930, is one of the largest plate glass factories in Central Europe. It is now principally engaged in producing plate glass, window glass, glass for medical use, glass for electrical requirements and polished glass. The factory has its own power station, railroad sidings, machine-equipped joinery, etc. At present only 300 workers are employed, because of a very serious shortage of raw materials. Since May 1945 the factory's raw material requirements have been derived mainly from "OTPAD" scrap glass supplies. Quartz deposits in Yugoslavia have not so far been exploited by the glass industry.
21. The Hrasnik glass factory employs a technician named Anton Podlusek who claims to have discovered a new method of grinding magnifying lenses.
22. Over 12,000,000 tons of surface quartz deposits exist in the Donje Sonje area (about 18 kms. southeast of Skoplje). These were examined by Vienna University mineralogists before the war and pronounced to be of superior quality to existing quartz deposits in Germany, Belgium and Czechoslovakia. These deposits were not exploited before the war for the following reasons:
- a. Foreign vested interests demanded the import of quartz from abroad and, more particularly, in the case of Pancevo, from Belgium.
  - b. Transportation difficulties. Donje Sonje is located in an inaccessible mountain area. Full exploitation of the deposits would have required the construction of an overhead cable railroad 7½ kms. in length linking

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Donje Sonje with the nearest railroad station, General Jankovic (about 11 kms. south of Skoplje on the Skoplje-Veles railroad). For all that, a Yugoslav firm of contractors was prepared in 1939 to use motor transport to exploit the surface deposits and deliver quartz to Pancevo at 2,000 Dinars per 10 tons, as compared with 2,800 Dinars for the same amount from Belgium.

23. Yugoslavia is experiencing considerable difficulty in importing quartz from Czechoslovakia. This is caused principally by the fact that the Danube is not navigable at Budapest, Baja and Apatin, as a result of sunken shipping and destroyed bridges. The bridge over the Danube at Bogojevo has been repaired, and this section of the Danube is now open to river traffic.
24. At Kula there is a leather factory, formerly the property of a Volksdeutscher and not nationalized. The present manager is a certain Zagorac. The factory employs 300 workers. Raw materials are obtained through "KOTEX" and include cow, calf, pig, horse and goat hides. Production consists of leather shoe soles, machine belts, army boots, etc. Salvage is disposed of as follows:
  - a. All cattle horns and cattle hair are distributed by KOTEX to other industries.
  - b. All leather scrap material is collected and distributed to chemical factories in Zemun (ex-"Munk" Brothers) and Ljubljana for processing into artificial manures and glue.
25. Factories similar to the one at Kula are located at Beckerek (Drzavna Fabrika Koza), Zemun, St. Becej (?) and Pancevo.

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